

Amendment No. 1 to SB1397

Bailey
Signature of Sponsor

AMEND Senate Bill No. 1397

House Bill No. 619*

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 56-7-3201, is amended by adding the following as new subdivisions:

() "Cost sharing requirement" means a copayment, coinsurance, deductible, or annual limitation on cost sharing, including, but not limited to, a limitation subject to 42 U.S.C. §§ 18022(c) and 300gg-6(b), required by, or on behalf of, an enrollee in order to receive a specific healthcare service covered by a health plan, including a prescription drug, whether under the medical or the pharmacy benefit;

() "Generic alternative" means a drug that is designated to be therapeutically equivalent by the United States food and drug administration's Approved Drug Products with Therapeutic Equivalence Evaluations;

() "Prescription drug" means a drug that under federal or state law is required to be dispensed only pursuant to a prescription order or is restricted to use by individuals authorized by law to prescribe drugs;

SECTION 2. Tennessee Code Annotated, Title 56, Chapter 7, Part 32, is amended by adding the following as a new section:

(a) When calculating an enrollee's contribution to an applicable cost sharing requirement, an insurer shall include cost sharing amounts paid by the enrollee or on behalf of the enrollee by another person.

(b) Subsection (a) does not apply to a prescription drug for which there is a generic alternative, unless the enrollee has obtained access to the brand name

prescription drug through prior authorization, a step therapy protocol, the insurer's exceptions and appeals process, or as specified in § 53-10-204(a).

SECTION 3. This act takes effect July 1, 2021, the public welfare requiring it, and applies to health plans entered into, executed, issued, amended, delivered, or renewed on or after that date.